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ORIGINAL

Decision No. 81416

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SWIFT AIRE LINES, INC., a
corporation for authorization to
operate as a passenger air carrier
and freight air carrier, between
Santa Maria and San Luis Obispo,
and Fresno and Sacramento.

Application No. 53623
(Filed October 5, 1972)

In the Matter of the Application
of VALLEY AIRLINES, INC. for a
certificate of public convenience
and necessity in either direction
between Fresno and Sacramento.

Application No. 53640
(Filed October 13, 1972)

Graham & James, by Boris H. Lakusta, Attorney at Law,
and Charles G. Wiswell, for Swift Aire Lines; and
James H. Stanhope and Donald L. Klein, for Valley
Airlines; applicants and protestants.
Glenn A. Howard, Attorney at Law, for Golden Pacific
Airlines, protestant.
Wilmer J. Garrett, for the City of Fresno; and
Robert L. Pleines, Attorney at Law, for the
County of Sacramento; interested parties.
Scott K. Carter, Attorney at Law, and Richard
Brozosky, for the Commission staff.

O P I N I O N

These matters were heard on a consolidated record January 17
and 18, 1973 before Examiner Thompson at San Francisco and were
submitted. Both applicants are passenger air carriers and by these
applications they each seek a certificate of public convenience and
necessity authorizing passenger air carrier operations between
Sacramento and Fresno and between those points and certain other
points they are presently authorized to serve.

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Swift presently serves coastal points between Los Angeles and San Francisco. Its base of operations is San Luis Obispo. The operation it proposes is to have an airplane and crew stay overnight at Fresno and provide weekday service of two round trips in the morning between Fresno and Sacramento, then a midday round trip between Fresno and Santa Maria via San Luis Obispo, and then two evening round trips between Fresno and Sacramento with the plane and crew staying overnight at Fresno. It is planned to exchange planes and crews at San Luis Obispo each day during the midday flight.. At the beginning and end of the weekend the plane will deadhead between Fresno and San Luis Obispo. Fueling of the plane will take place at Santa Maria which is the terminal point for the midday flight. Planes and crews would be in service from 0730 to 2030 each weekday and the proposed schedule would involve 9.8 flight hours ramp-to-ramp per day. The aircraft proposed to be utilized are four-engine Dehavilland Herons. There will be a crew of three comprising a captain, copilot, and hostess. The Heron aircraft will seat seventeen passengers. Coffee, tea, and soft drinks will be served at no charge to the passengers. Swift's proposed one-way adult fares are:

| | |
|------------------------------|---------|
| Fresno - Sacramento | \$22.22 |
| Fresno - San Luis Obispo | 22.22 |
| Fresno - Santa Maria | 25.00 |
| Sacramento - San Luis Obispo | 29.63 |
| Sacramento - Santa Maria | 31.48 |

Swift has interline baggage and ticketing agreements with all trunk and local service air carriers serving the west coast of the United States. Reservations may be made by ARINC ESS teletype, local phone, or toll free WATS phone lines direct to Swift's reservation center. Swift does not have terminal facilities at Sacramento or Fresno but will arrange for those facilities if its application is granted. It presently has terminal facilities at San Luis Obispo and Santa Maria.

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Valley presently operates routes along an arc extending along Bakersfield, Fresno, Oakland, San Jose, Monterey, and Santa Barbara with base of operations at Oakland. It proposes to integrate service between Sacramento and Fresno in its present schedules. The operation it proposes is a weekday service with a flight on Tuesday through Friday starting from Bakersfield in the morning to Sacramento with a stop in Fresno. At Sacramento the plane would then take passengers to Fresno and then go on to San Jose. On Monday the morning flight would originate at Oakland, go to San Jose, and thence to Fresno where passengers would be picked up for Sacramento. After debarking passengers at Sacramento, passengers would be taken to Fresno. After discharge of passengers at Fresno the plane would make its schedule to San Jose. Evening service would be provided every day except Saturday. A flight that originates at Oakland for Fresno via San Jose would leave Fresno at 4:00 p.m. and arrive at Sacramento at 5:00 p.m. The flight would leave Sacramento at 5:15 p.m., arrive at Fresno at 6:15 p.m., and at 6:30 p.m. would continue to San Jose and Oakland. The inclusion of the segment Fresno - Sacramento would add two hours per day flight time (ramp-to-ramp) to its schedules and would increase block time by almost 3 hours per day. Valley presently operates three aircraft, two of which operate the daily schedules and one of which is held in reserve. Except for a mail flight that operates at night the schedules of Valley are operated during the morning and evening hours. The aircraft are hangered for approximately three hours during the midday and are available for maintenance. The aircraft utilized are twin engine Beechcraft Tradewinds with a capacity of nine passengers. Flight crew consists of a pilot and copilot. At one time Valley had a stewardess on their evening flights. It has a California liquor license. Because of weather and turbulence this winter, passengers did not avail themselves of liquor service so that on December 15, 1972 Valley ceased using stewardesses.

Valley's proposed fares are:

| | |
|--------------------------|---------|
| Sacramento - Fresno | \$19.44 |
| Sacramento - Bakersfield | \$31.48 |

Valley has terminal facilities in Fresno and Bakersfield. It anticipates an agreement with Air California for the latter to provide terminal services at Sacramento.

Golden Pacific Airlines holds a certificate of public convenience and necessity authorizing operations as a passenger air carrier between, among other places, Sacramento and Fresno. It commenced operations between those points in April 1969. It has not maintained service between the points for the past nine months. At the hearing its counsel stated that it ceased providing service because of an employee dispute and some other problems the company has suffered and that it is of the opinion that those problems will be corrected and the airline will resume service in the relatively near future.

Hughes Airwest operates as a common carrier of passengers by aircraft within this State pursuant to a certificate of public convenience and necessity issued by the Civil Aeronautics Board.^{1/} It provides service between Santa Maria and San Luis Obispo, on the one hand, and Sacramento, on the other hand, via San Francisco. It holds authority from the Civil Aeronautics Board to operate between Santa Maria, San Luis Obispo, and Fresno, and between Fresno and Sacramento. At one time it provided direct service between Sacramento and Fresno but no longer does so. It filed a protest to the application of Swift but did not appear at the hearings. It did not file a protest to the application of Valley.

^{1/} See Section 2743 of the Public Utilities Code.

United Airlines holds a certificate of public convenience and necessity issued by the Civil Aeronautics Board. It provides service between Fresno and Sacramento via an interchange of flights at San Francisco. It also provides service between Sacramento and Bakersfield via San Francisco.

At present there is no scheduled direct air service by a single carrier between Sacramento and Fresno, between Sacramento and Bakersfield, or between San Luis Obispo and Santa Maria, on the one hand, and Fresno and Sacramento, on the other hand.^{2/} Air service between the aforesaid points may be obtained by a change of flights or interlining at San Francisco, San Jose, or Los Angeles.

The Commission's staff presented a report (Exhibit 2) which sets forth the number of passengers moving via scheduled aircraft between the points involved herein. During 1971 a total of 7,070 passengers were transported between Fresno and Sacramento by Golden Pacific, United, and Airwest. During 1970 United and Airwest transported 2,930 passengers between those points. During the last six months of 1970 Golden Pacific transported 3,380 passengers between those points; the passenger count for the first six months is not of record. Applicants and the Commission staff believe that the segment

^{2/} Schedules of Hughes Airwest show flights between Santa Maria and San Luis Obispo and Sacramento via San Francisco at a through fare. The indicated flights show layovers at San Francisco of about 1-3/4 hours southbound and almost 3 hours northbound. A schedule dated April 29, 1973 indicates a Flight 258 departing Fresno at 9:50 a.m. arriving Sacramento at 10:29 a.m., and a Flight 259 departing Sacramento at 11:05 a.m. arriving at Fresno at 11:48 a.m.

Fresno - Sacramento provides a high traffic potential. Fresno is the largest city in the San Joaquin Valley; Sacramento is the largest city in the Sacramento Valley as well as being the State Capitol.^{3/} Both are centers for agricultural interests in their respective areas and have commercial establishments serving those interests. The present and potential traffic between Sacramento and Fresno consists mainly of what the industry calls the briefcase crowd, that is, the businessman who departs from origin in the morning to destination, transacts all of his business during the day, and returns to origin in the afternoon or evening. It is to be noted that both applicants have scheduled flights in their proposed operations accordingly.

During 1963, 1964, and 1965, approximately 2,500 passengers per year were transported between Sacramento and Bakersfield by United and Airwest. Those carriers ceased providing direct service between the points so that during 1971 United transported only 680 passengers and that was via San Francisco. Valley has had a number of requests to inaugurate service between the two points. There are presently no schedules by any airlines providing for connections permitting a passenger to leave Bakersfield in the morning and arrive at Sacramento that same morning. Valley proposes a flight leaving Bakersfield at 6:15 a.m. with arrival at Sacramento at 8:00 a.m. United has an evening flight leaving Sacramento at 5:35 p.m. that arrives at San Francisco at 6:09 p.m. and connects with its flight leaving San Francisco at 6:55 p.m. and arriving at Bakersfield at 7:48 p.m. Valley anticipates that passengers desiring to go from Sacramento to Bakersfield in the evening will continue to use United

^{3/} 1970 census discloses that Sacramento ranks 55th and Fresno 82nd among the largest cities of the United States.

in that its fare is \$25.82 as compared with Valley's proposed fare of \$31.48. Valley's proposed Flight 75 would leave Sacramento at 5:15 p.m. and arrive at Fresno at 6:15 p.m. If that flight continued on to Bakersfield instead of proceeding to San Jose it would arrive at Bakersfield around 7:00 p.m. for an elapsed time of 1 hour and 45 minutes as compared to the elapsed time of 2 hours and 13 minutes in connection with the service provided by United. Valley is of the opinion that the principal traffic potential consists of persons in Bakersfield who desire to transact business involving the State government.

During 1969 Airwest transported 1,050 passengers between Sacramento and Santa Maria, and 1,070 passengers between Sacramento and San Luis Obispo. During 1971 it transported 690 passengers between Santa Maria and Sacramento, and 460 passengers between San Luis Obispo and Sacramento. The staff's report of traffic statistics do not indicate any movement of passengers between Santa Maria and San Luis Obispo, on the one hand, and Fresno, on the other hand. The president of Swift testified that the company is now transporting a number of passengers bound between Santa Maria and San Luis Obispo and Sacramento. It has three flights each way along the coast which connect with Sacramento flights of United, Airwest, and Air California at San Francisco and San Jose. Passengers using that routing would not be included in the traffic statistics mentioned hereinabove and that circumstance would account for what would appear from the statistics to be a decline in traffic.^{4/}

^{4/} The use of Swift with connection with another carrier at San Francisco or San Jose may be more convenient to a number of passengers than traveling via the schedules of Airwest because of the layovers at San Francisco. See Footnote 2, supra.

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Both applicants have experience in the business of conducting passenger air carrier operations. Both operated at a profit during 1972 for the first time. Both carriers have insurance as prescribed by the Commission. Valley estimates its additional cost of providing the proposed service will be approximately \$91,520 per year, and that its break even point would be achieved if it were to transport 4,789 passengers annually at the proposed Fresno-Sacramento fare of \$19.44. Swift estimates that its break even point will be achieved with a 50 percent load factor. Insofar as the segment Fresno - Sacramento is concerned, the proposed schedule of four flights daily for five days per week with seventeen passenger aircraft provides 17,680 seats annually. Swift's estimated break even point with respect to that segment is 8,840 annual passengers which is almost 1,800 more passengers than were transported during 1971 between those points. While that circumstance might indicate that the proposed service by Swift would not be economically feasible, and that there would not be sufficient traffic to support the operations of both Swift and Valley, we are of the opinion that such is not the case. Airline passenger service between Sacramento and Fresno and morning airline service from Bakersfield to Sacramento is urged by a number of agencies of the State of California, by state legislators, by the county of Kern, by the county of Sacramento, by all travel agents in Fresno County, and by Chambers of Commerce. There is a large potential of passenger air traffic involving the businessman who wishes to travel between Sacramento and Fresno in the morning and return home in the evening which market has not been fully exploited. The combined proposed schedules of the two carriers would provide the following service between Fresno and Sacramento:

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| <u>Code</u> | <u>Leave Fresno</u> | <u>Arrive Sacramento</u> | <u>Leave Sacramento</u> | <u>Arrive Fresno</u> |
|-------------|-------------------------|------------------------------|-----------------------------|--------------------------|
| V X167 | 7:00 a.m. | 8:00 a.m. | 8:15 a.m. | 9:15 a.m. |
| S X67 | 7:30 a.m. | 8:30 a.m. | 8:45 a.m. | 9:45 a.m. |
| V 1 | 8:00 a.m. | 9:00 a.m. | 9:15 a.m. | 10:15 a.m. |
| S X67 | 10:10 a.m. | 11:10 a.m. | 11:30 a.m. | 12:30 p.m. |
| S X67 | 3:25 p.m. | 4:25 p.m. | 5:00 p.m. | 6:00 p.m. |
| V X6 | 4:00 p.m. | 5:00 p.m. | 5:15 p.m. | 6:15 p.m. |
| S X67 | 6:15 p.m. | 7:15 p.m. | 7:30 p.m. | 8:30 p.m. |

Code: V - Valley Airlines
S - Swift Aire Lines
X - Except
1 - Monday
6 - Saturday
7 - Sunday

As may be seen the combined schedules would afford morning flights spaced one-half hour apart at the times when the briefcase crowd desires departures and would provide return flights at the times required by the businessman. We are of the opinion that the option to passengers of services that would result from the proposed schedules of both carriers would generate substantially more actual traffic to each of them than would accrue if only one applicant were to operate the segment. It is to be noted that only with respect to one departure would the carriers be close to flying wing tip to wing tip, and that is with respect to the Swift 5:00 p.m. flight and the Valley 5:15 p.m. flight from Sacramento. There is no doubt whatever that the Fresno passenger conducting business at Sacramento during the day ordinarily would desire to return home at that time.

There is presently no early morning flight from Bakersfield to Sacramento. Valley's proposed schedule will accommodate a public need. The incremental cost of providing this service will be minimal. Valley provides transportation of mail at night with one aircraft pursuant to contract with the United States Postal Service. The termination point of the mail flight is Bakersfield so that Valley has an airplane available to perform the proposed initial morning

flight to Sacramento via Fresno. The public has available to it an evening flight by United from Sacramento to Bakersfield via San Francisco at a lesser fare than Valley's proposed fare. The en route time via the United schedule is only 28 minutes greater than the elapsed time of Valley's northbound flight.

Swift's proposed operation between Santa Maria, San Luis Obispo, and Fresno is necessary to it for the efficient fueling and maintenance of aircraft and for efficient exchange of flight crews. The operation will provide a direct service between the coast and Fresno of 45 minutes rather than the indirect service via San Francisco requiring an en route time of in excess of two hours. Although the public has available to it approximately five flights in either direction between the coastal points and Sacramento consisting of two via Airwest and three via Swift with connections with other carriers, all of those flights involve routings via San Francisco and layovers at that point. Swift's proposed schedule between the coastal points and Sacramento will reduce en route time substantially and will be a convenience to the public by eliminating the necessity of changing planes en route. Those circumstances should attract patronage to Swift and should promote air travel between the coastal points and the valley points.

Golden Pacific stated that it believes, based upon its several years of experience over the Sacramento - Fresno segment, that the route would require one airline giving good service at the most and a second airline filling in. It asserts that it intends to reinstate service over that route and therefore protests the granting of two additional certificates for that route. Golden Pacific has not provided service in a long time. The Commission is aware of the circumstances under which that carrier's service generally deteriorated and then ceased. (Decision No. 80894 dated December 29, 1972.) It is to be noted that on April 3, 1973, the Commission instituted an investigation to determine, among other things, whether Golden Pacific

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is no longer able to perform all or part of its certificated services. We point out that at hearing on October 16, 1972 in Case No. 9439, Golden Pacific asserted that it was preparing to reinstitute service in the very near future. Adjourned hearing scheduled for January 8, 1973 in Application No. 51212, in which Golden Pacific seeks authority to conduct its certificated operations with 40 passenger Convair aircraft, was temporarily removed from the Commission's calendar because applicant was unable to make advance distribution of its financial statements as had been agreed to at hearing held on October 25, 1972. It has not yet made such distribution. In the circumstances the resumption of service by Golden Pacific would appear to be somewhat uncertain.

The Commission staff recommends the granting of certificates to both applicants. It suggests that the certificates contain a restriction as to schedules in order to avoid possibility of the carriers engaging in destructive wing-tip to wing-tip competition on the Fresno - Sacramento segment, and because of its belief that the operation of the proposed schedules would increase the number of flying hours per aircraft so as to impair the ability of the carriers to maintain their aircraft. That belief was shown to be unfounded. The proposed schedules will not result in destructive competition for the reasons hereinabove set forth. Protection against the possibility that the carriers may engage in destructive competition during the development of the Fresno - Sacramento market can be achieved by providing for the issuance of temporary certificates. In view of the fact that both applicants intend to provide the service with existing aircraft any adverse effects of a temporary certificate upon financing or the acquisition of capital is not apparent.

Both applicants are licensed by the Civil Aeronautics Board as third-level carriers in interstate commerce. In 1972 the Civil Aeronautics Board authorized third-level carriers to operate aircraft having a seating capacity of not more than 30 passengers or a payload

of not more than 7,500 pounds. Applicants' certificates from this Commission authorize them to utilize aircraft having a seating capacity of 25 passengers. This has been the standard limitation with respect to certificates for commuter airlines. It is desirable that this standard be changed so as to coincide with that prescribed by the Civil Aeronautics Board. At prehearing conference herein all parties, including applicants, agreed that the certificates of applicants should be modified so as to authorize the operation of aircraft having a seating capacity of not more than 30 passengers or a payload of not more than 7,500 pounds.

Applicants presently serve the airports involved herein other than Sacramento, and Fresno in the case of Swift, with the aircraft they will operate over the proposed routes. They operate piston-engined commuter type aircraft. The airports at Sacramento and Fresno are presently utilized by large aircraft, including jet-engined aircraft. It is reasonably certain that the proposed operations will not have a significant effect on the environment.

We find that:

1. Swift Aire Lines is a passenger air carrier with operations over routes and between points on the California coastline, including Santa Maria, San Luis Obispo, and San Francisco among others, pursuant to certificates of public convenience and necessity issued by the Commission; and is licensed by the Civil Aeronautics Board to transport passengers and property in interstate commerce in aircraft having a seating capacity of not more than 30 passengers or a payload of not more than 7,500 pounds.

2. Swift Aire Lines seeks a certificate of public convenience and necessity authorizing it to conduct passenger air carrier operations in aircraft having a seating capacity of not more than 30 passengers or a payload of not more than 7,500 pounds between points on the following routes:

Santa Maria - San Luis Obispo - Fresno - Sacramento.
Fresno - Sacramento.

3. Swift Aire Lines possesses the business experience in the field of air operations, the financial stability, the insurance coverage, and the aircraft necessary to conduct the proposed operations.

4. There is a public need for the service pursuant to the schedules proposed by Swift Aire Lines and the proposed service is economically feasible.

5. Valley Airlines is a passenger air carrier with operations over routes and between points along the general route, Bakersfield, Fresno, Oakland, Santa Barbara, pursuant to certificates of public convenience and necessity issued by the Commission; and is licensed by the Civil Aeronautics Board to transport passengers and property in interstate commerce in aircraft having a seating capacity of not more than 30 passengers or a payload of not more than 7,500 pounds.

6. Valley Airlines seeks a certificate of public convenience and necessity authorizing it to conduct passenger air carrier operations in aircraft having a seating capacity of not more than 30 passengers or a payload of not more than 7,500 pounds between points on the following routes:

Fresno - Sacramento.

Bakersfield - Fresno - Sacramento.

7. Valley Airlines possesses the business experience in the field of air operations, the financial stability, the insurance coverage, and the aircraft necessary to conduct the proposed operations.

8. There is a public need for the service pursuant to the schedules proposed by Valley Airlines and the proposed service is economically feasible.

9. The operations by Swift Aire Lines and by Valley Airlines in their proposed services will not have a significant effect upon the environment.

10. Public convenience and necessity require the operation by Swift Aire Lines of its proposed passenger air carrier service.

11. Public convenience and necessity require the operation by Valley Airlines of its proposed passenger air carrier service.

12. The operation by applicants of their proposed schedules will not result in destructive competition between the carriers but will develop the market for both applicants. Changes in schedules by applicants could result in destructive competition.

13. Restrictions or limitations upon the ability of applicants to adjust schedules would impair their abilities to conduct efficient operations and to quickly adjust passenger air operations to meet public needs or public convenience, and would not be in the best interests of the public.

14. The issuance of temporary certificates, to expire after 18 months, to applicants will permit review by the Commission of the operations and actions of applicants in the development of the market and in meeting the needs of the public, and to take appropriate action thereon when considering whether the authorities to conduct those passenger air carrier operations should be made permanent. The issuance of temporary certificates to applicants for their proposed operations will not impair their abilities to acquire necessary capital.

We conclude that:

1. Temporary certificates of public convenience and necessity authorizing the proposed operations of Swift Aire Lines and of Valley Airlines should be granted.

2. The restrictions in the certificates of Swift Aire Lines and of Valley Airlines prohibiting the operation of aircraft with a seating capacity in excess of 25 passengers should be modified to provide that the carriers shall not operate aircraft having a seating capacity of more than 30 passengers or a payload in excess of 7,500 pounds.

3. Appendix A of Decision No. 77794, as amended, (Swift) and Appendix A of Decision No. 77965, as amended, (Valley) should be further amended by incorporating therein the authorities granted herein.

O R D E R

IT IS ORDERED that:

1. A temporary certificate of public convenience and necessity is granted to Swift Aire Lines, Inc., a corporation, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between Fresno and Sacramento; and between Fresno and Sacramento, on the one hand, and San Luis Obispo and Santa Maria, on the other hand, which temporary certificate shall expire December 31, 1974.

2. Appendix A of Decision No. 77794, as heretofore amended, is further amended by incorporating therein Fourth Revised Page 1 and Fifth Revised Page 2, attached hereto, in revision of Third Revised Page 1 and Fourth Revised Page 2.

3. A temporary certificate of public convenience and necessity is granted to Valley Airlines, Inc., a corporation, authorizing it to operate as a passenger air carrier, as defined in Section 2741 of the Public Utilities Code, between Fresno and Sacramento, and between Bakersfield and Sacramento via Fresno, which temporary certificate shall expire December 31, 1974.

4. Appendix A of Decision No. 77965, as heretofore amended, is further amended by incorporating therein Sixth Revised Page 1 and Fourth Revised Page 2, attached hereto, in revision of Fifth Revised Page 1 and Third Revised Page 2.

5. In providing service pursuant to the certificates herein granted, applicants shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicants shall file written acceptances of the certificates herein granted. By accepting the certificates of public convenience and necessity herein granted, applicants are placed on notice that they will be

required, among other things, to file annual reports of their operations and to comply with and observe the requirements of the Commission's General Orders Nos. 120-Series and 129-Series.

- (b) Within one hundred and twenty days after the effective date hereof, applicants shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 105-Series.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 22nd day of MAY, 1973.

I dissent: There should be some safeguard provided in this order to preclude wingtip to wingtip competition between our intrastate carriers - as previously stated in Commission decisions.

[Signature], Commissioner

Vernon L. Sturges
President
William J. [Signature]
[Signature]
[Signature]
Commissioners

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Appendix A
(Decision 77794)

SWIFT AIRE LINES, INC.

Fourth Revised Page 1
Cancels
Third Revised Page 1

The authority granted herein to Swift Aire Lines, Inc., supersedes the previously granted certificate of public convenience and necessity granted in Decision No. 75372 as subsequently modified.

Swift Aire Lines, Inc., by this certificate of public convenience and necessity, is authorized to operate as a passenger air carrier over the routes and between the points listed below:

Route 1 - SAN FRANCISCO - SANTA MARIA

Intermediate Points: San Jose, Paso Robles
and San Luis Obispo

| | |
|-----------|-----------|
| SFO - SJC | SFO - PRB |
| SJC - PRB | SFO - SBP |
| PRB - SBP | SJC - SBP |
| SBP - SMX | SJC - SMX |
| SFO - SMX | PRB - SMX |

Route 2 - PASO ROBLES - LOS ANGELES

Intermediate Points: San Luis Obispo and Santa Maria

| | |
|-----------|-----------|
| PRB - SBP | PRB - SMX |
| SBP - SMX | LAX - PRB |
| SMX - LAX | LAX - SBP |

#Route 3 - SACRAMENTO - SANTA MARIA

Intermediate Points: Fresno and San Luis Obispo

| | |
|-----------|-----------|
| SMF - FAT | SBP - SMX |
| FAT - SBP | FAT - SMX |

#Route 4 - SACRAMENTO - FRESNO

SMF - FAT

Issued by California Public Utilities Commission.

#Added by Decision No. 81416, Application No. 53623.

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Appendix A
(Decision 77794)

SWIFT AIRE LINES, INC.

Fifth Revised Page 2
Cancels
Fourth Revised Page 2

Conditions

1. Authority granted herein is limited to passenger air carrier operations over the specific routes and between the airport pairs listed thereunder as described above.
2. Operation between an airport on one route and an airport on any other route shall not be provided except through an airport that is common to the two routes.
- #3. Each airport shall be served with a minimum of one flight in each direction on each of seven days a week, except that on Route 2 PRB shall be served with a minimum of one flight in each direction on each of five days a week, and except that airports on Route 3 and Route 4 shall be served with a minimum of one flight in each direction on each of five days a week.
4. Providing operations comply with Condition 3, carrier may serve the following airports on a "flag stop" basis:
Route 1 - SJC, PRB. Route 2 - SBP.
5. Passengers shall be carried whose transportation is solely between the respective airports of SFO and SJC. No turn-around service will be provided between SFO and SJC.
- #6. No aircraft having more than 30 revenue passenger seats or a payload more than 7,500 pounds shall be operated.
7. Passengers shall not be carried who have both origin and destination of the following pairs of points:
SBP and SMX, SBP and PRB, and SMX and PRB.
- #8. Authority to serve Route 3 and Route 4 shall expire December 31, 1974.
9. The following airports shall be used:

| <u>Symbol</u> | <u>Location</u> | <u>Name</u> |
|---------------|-----------------|-------------------------------------|
| SFO | San Francisco | San Francisco International Airport |
| SJC | San Jose | San Jose Municipal Airport |
| PRB | Paso Robles | Paso Robles Airport |
| SBP | San Luis Obispo | San Luis Obispo County Airport |
| LAX | Los Angeles | Los Angeles International Airport |
| SMX | Santa Maria | Santa Maria Airport |
| #SMF | Sacramento | Sacramento Municipal Airport |
| #FAT | Fresno | Fresno Municipal Airport |

Issued by California Public Utilities Commission.

#Added by Decision No. 81416, Application No. 53623.

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Appendix A
(Decision 77965)

VALLEY AIRLINES, INC.

Sixth Revised Page 1
Cancels
Fifth Revised Page 1

The authority granted herein to Valley Airlines, Inc. supersedes the previously granted certificate of public convenience and necessity.

Valley Airlines, Inc., by this certificate of public convenience and necessity is authorized to operate as a passenger air carrier over the routes and between points listed below:

Route 1 - OAKLAND - FRESNO

Intermediate Point: San Jose

OAK - SJC
SJC - FAT
OAK - FAT

Route 4 - OAKLAND - BAKERSFIELD

Intermediate Point: San Jose

OAK - SJC
SJC - BFL
OAK - BFL

Route 5 - OAKLAND - SANTA BARBARA

Intermediate Points: San Jose and Monterey

OAK - SJC
SJC - SBA
SJC - MRY
OAK - SBA
OAK - MRY
MRY - SBA

Route 6 - FRESNO - BAKERSFIELD

FAT - BFL

#Route 7 - SACRAMENTO - BAKERSFIELD

Intermediate Point: Fresno

SMF - FAT
FAT - BFL

Issued by California Public Utilities Commission.

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#Added by Decision No. _____, Application No. 53640.

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Appendix A
(Decision 77965)

VALLEY AIRLINES, INC.

Fourth Revised Page 2
Cancels
Third Revised Page 2

Conditions

1. Authority granted herein is limited to passenger air carrier operations over the specific routes and between the airport pairs listed thereunder as described above.
2. Operation between an airport on one route and an airport on any other route shall not be provided except through an airport that is common to the two routes.
- #3. On each route except Route 7, each airport shall be served with a minimum of one flight in each direction on each of five days a week.
- #4. No aircraft having more than 30 revenue passenger seats or a payload over 7,500 pounds shall be operated.
5. Nonstop authority between Oakland and the cities of Fresno, Bakersfield, and Santa Barbara shall expire on June 30, 1973.
- #6. Carrier shall provide a minimum service on Route 7 between Fresno and Sacramento of one round trip, five days per week, and from Bakersfield to Sacramento via Fresno one trip, four days per week.
- #7. Authority to serve Route 7 shall expire December 31, 1974.
8. The following airports shall be used:

| <u>Symbol</u> | <u>Location</u> | <u>Name</u> |
|---------------|-----------------|---------------------------------|
| FAT | Fresno | Fresno Air Terminal |
| SJC | San Jose | San Jose Municipal Airport |
| BFL | Bakersfield | Bakersfield Meadows Field |
| SBA | Santa Barbara | Santa Barbara Municipal Airport |
| OAK | Oakland | Oakland International Airport |
| MRY | Monterey | Monterey Peninsula Airport |
| #SMF | Sacramento | Sacramento Municipal Airport |

Issued by California Public Utilities Commission.

#Added by Decision No. 81416, Application No. 53640.